



QUARTERLY STATEMENT

AS OF JUNE 30, 2002

OF THE CONDITION AND AFFAIRS OF THE

COLONY SPECIALTY INSURANCE COMPANY

NAIC Group Code 0457 0457 NAIC Company Code 36927 Employer's ID Number 34-1266871
(Current Period) (Prior Period)

Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio

Country of Domicile US

Incorporated December 20, 1978 Commenced Business April 16, 1979

Statutory Home Office 52 East Gay Street, Columbus, Ohio 43215
(Street and Number, City or Town, State and Zip Code)

Main Administrative Office 9201 Forest Hill Avenue, Suite 200, Richmond, Virginia 23235-6865 804-327-1700
(Street and Number, City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address P.O. Box 85122, Richmond, Virginia 23285-5122
(Street and Number, City or Town, State and Zip Code)

Primary Location of Books and Records 9201 Forest Hill Avenue, Suite 200, Richmond, Virginia 23235-6865
(Street and Number, City or Town, State and Zip Code)
804-327-1700
(Area Code) (Telephone Number)

Internet Website Address www.colonyins.com

Statement Contact Edward Desch 804-327-1711
(Name) (Area Code) (Telephone Number) (Extension)
804-327-1799
(E-Mail Address) (Fax Number)

Policyowner Relations Contact 9201 Forest Hill Avenue, Suite 200, Richmond, Virginia 23235-6865
(Street and Number, City or Town, State and Zip Code)
804-327-1700
(Area Code) (Telephone Number) (Extension)

OFFICERS

President JOHN KEMPER LATHAM
 Secretary EDWARD DESCH
 Treasurer MARK WILLIAM HAUSHILL

Assistant Secretary GAIL THERESA KIMPFLER Assistant Secretary BYRON LOUIS LEFLORE, JR.
 Assistant Secretary JOHN PAUL YEDINY

VICE PRESIDENTS

EDWARD DESCH STEVEN PAUL EARHART BARRY WAYNE GATES
 DALE HENRY PILKINGTON

DIRECTORS OR TRUSTEES

EDWARD DESCH MARK WILLIAM HAUSHILL JOHN KEMPER LATHAM
 DALE HENRY PILKINGTON, JR. MARK EDMUND WATSON, III JOHN PAUL YEDINY

State of Virginia SS
 County of City of Richmond

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

JOHN KEMPER LATHAM, JR. EDWARD DESCH STEVEN PAUL EARHART
 President Secretary Vice President

Subscribed and sworn to before me this
 1st day of August, 2002

ASSETS

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	48,604,397		48,604,397	47,649,208
2. Stocks:				
2.1 Preferred stocks	600,000		600,000	600,000
2.2 Common stocks	1,802,766		1,802,766	1,778,762
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$				
encumbrances)				
4.2 Properties held for the production of income (less \$				
encumbrances)				
4.3 Properties held for sale (less \$				
encumbrances)				
5. Cash (\$ 431) and short-term investments (\$ 4,790,647)	4,791,078		4,791,078	2,397,321
6. Other invested assets				
7. Receivable for securities				
8. Aggregate write-ins for invested assets				
9. Subtotals, cash and invested assets (Lines 1 to 8)	55,798,241		55,798,241	52,425,291
10. Agents' balances or uncollected premiums :				
10.1 Premiums and agents' balances in course of collection	1,145,366	17,211	1,128,155	641,432
10.2 Premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)				
10.3 Accrued retrospective premiums				
11. Funds held by or deposited with reinsured companies				
12. Bills receivable, taken for premiums				
13. Amounts billed and receivable under high deductible policies				
14. Reinsurance recoverables on loss and loss adjustment expense payments	223,997		223,997	223,997
15. Federal and foreign income tax recoverable and interest thereon (including \$ 1,012,738 net deferred tax asset)	1,165,025		1,165,025	843,607
16. Guaranty funds receivable or on deposit				
17. Electronic data processing equipment and software				
18. Interest, dividends and real estate income due and accrued	541,439		541,439	538,212
19. Net adjustments in assets and liabilities due to foreign exchange rates				
20. Receivable from parent, subsidiaries and affiliates	951,431		951,431	1,124,998
21. Amounts due from/to protected cells				
22. Equities and deposits in pools and associations				
23. Amounts receivable relating to uninsured accident and health plans				
24. Other assets nonadmitted				
25. Aggregate write-ins for other than invested assets	44,309	44,309		
26. Total assets excluding protected cell assets (Lines 9 through 25)	59,869,808	61,520	59,808,288	55,797,537
27. Protected cell assets				
28. TOTALS (Lines 26 and 27)	59,869,808	61,520	59,808,288	55,797,537
DETAILS OF WRITE-INS				
0801.				
0802.				
0803.				
0898. Summary of remaining write-ins for Line 8 from overflow page				
0899. Totals (Lines 0801 through 0803 plus 0898) (Line 8 above)				
2501. Miscellaneous	44,309	44,309		
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	44,309	44,309		

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 3,720,558)	15,667,352	14,838,526
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	3,779,451	3,680,728
4. Commissions payable, contingent commissions and other similar charges	126,120	77,163
5. Other expenses (excluding taxes, licenses and fees)		
6. Taxes, licenses and fees (excluding federal and foreign income taxes)		
7. Federal and foreign income taxes, including \$ on realized capital gains (losses) (including \$ net deferred tax liability)		174,474
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 3,820,835 and including warranty reserves of \$)	10,916,707	8,601,087
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	474,804	288,217
13. Funds held by company under reinsurance treaties	9,549,751	9,822,927
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated		
16. Provision for reinsurance	44,800	44,800
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	70,278	
20. Payable for securities		
21. Liability for amounts held under uninsured accident and health plans		
22. Capital notes \$ and interest thereon \$		
23. Aggregate write-ins for liabilities	476	476
24. Total liabilities excluding protected cell liabilities (Lines 1 through 23)	40,629,739	37,528,398
25. Protected cell liabilities		
26. Total liabilities (Lines 24 and 25)	40,629,739	37,528,398
27. Aggregate write-ins for special surplus funds		
28. Common capital stock	2,500,000	2,500,000
29. Preferred capital stock		
30. Aggregate write-ins for other than special surplus funds		
31. Surplus notes		
32. Gross paid in and contributed surplus	8,002,700	8,002,700
33. Unassigned funds (surplus)	8,675,849	7,766,439
34. Less treasury stock, at cost:		
34.1 shares common (value included in Line 28 \$)		
34.2 shares preferred (value included in Line 29 \$)		
35. Surplus as regards policyholders (Lines 27 to 33, less 34)	19,178,549	18,269,139
36. TOTALS	59,808,288	55,797,537
DETAILS OF WRITE-INS		
2301. Escheat Balances	476	476
2302.		
2303.		
2398. Summary of remaining write-ins for Line 23 from overflow page		
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	476	476
DETAILS OF WRITE-INS		
2701.		
2702.		
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Lines 2701 through 2703 plus 2798) (Line 27 above)		
DETAILS OF WRITE-INS		
3001.		
3002.		
3003.		
3098. Summary of remaining write-ins for Line 30 from overflow page		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)		

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 4,845,655)	5,961,679	7,290,802	14,993,156
1.2 Assumed (written \$ 10,880,298)	8,419,459	6,383,128	13,866,772
1.3 Ceded (written \$ 4,459,228)	5,430,031	6,829,580	13,924,666
1.4 Net (written \$ 11,266,725)	8,951,107	6,844,350	14,935,262
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 4,283,392):			
2.1 Direct	5,192,665	4,846,965	10,814,319
2.2 Assumed	3,759,954	2,690,837	5,979,477
2.3 Ceded	4,753,074	4,510,426	10,120,868
2.4 Net	4,199,545	3,027,376	6,672,928
3. Loss expenses incurred	1,447,574	1,336,263	2,695,663
4. Other underwriting expenses incurred	3,641,762	2,776,679	5,569,990
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	9,288,881	7,140,318	14,938,581
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(337,774)	(295,968)	(3,319)
INVESTMENT INCOME			
9. Net investment income earned	1,406,311	1,355,619	2,684,312
10. Net realized capital gains (losses)	12,294	341,988	1,294,263
11. Net investment gain (loss) (Lines 9 plus 10)	1,418,605	1,697,607	3,978,575
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)			
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income	(97)		249
15. Total other income (Lines 12 through 14)	(97)		249
16. Net income before dividends to policyholders and before federal and foreign income taxes (Lines 8 plus 11 plus 15)	1,080,734	1,401,639	3,975,505
17. Dividends to policyholders			
18. Net income, after dividends to policyholders but before federal and foreign income taxes (Line 16 minus Line 17)	1,080,734	1,401,639	3,975,505
19. Federal and foreign income taxes incurred	379,239	672,787	1,563,004
20. Net income (Line 18 minus Line 19) (to Line 22)	701,495	728,852	2,412,501
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	18,269,139	16,827,834	16,827,834
GAINS AND (LOSSES) IN SURPLUS			
22. Net income (from Line 20)	701,495	728,852	2,412,501
23. Net unrealized capital gains or losses	24,003	(354,956)	(371,694)
24. Change in net unrealized foreign exchange capital gain (loss)			
25. Change in net deferred income tax	169,131	44,515	324,180
26. Change in nonadmitted assets	14,781	(5,140)	(30,309)
27. Change in provision for reinsurance			53,200
28. Change in surplus notes			
29. Surplus (contributed to) withdrawn from protected cells			
30. Cumulative effect of changes in accounting principles		1,023,559	853,427
31. Capital changes:			
31.1 Paid in			
31.2 Transferred from surplus (Stock Dividend)			
31.3 Transferred to surplus			
32. Surplus adjustments:			
32.1 Paid in			
32.2 Transferred to capital (Stock Dividend)			
32.3 Transferred from capital			
33. Net remittances from or (to) Home Office			
34. Dividends to stockholders			(1,800,000)
35. Change in treasury stock			
36. Aggregate write-ins for gains and losses in surplus			
37. Change in surplus as regards policyholders (Lines 22 through 36)	909,410	1,436,830	1,441,305
38. Surplus as regards policyholders, as of statement date (Lines 21 plus 37)	19,178,549	18,264,664	18,269,139
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)			
1401. Miscellaneous income	(97)		249
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	(97)		249
3601.			
3602.			
3603.			
3698. Summary of remaining write-ins for Line 36 from overflow page			
3699. TOTALS (Lines 3601 through 3603 plus 3698) (Line 36 above)			

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance	10,986,634	16,865,895
2. Loss and loss adjustment expenses paid (net of salvage and subrogation)	4,719,572	7,009,239
3. Underwriting expenses paid	3,592,806	5,524,370
4. Other underwriting income (expenses)		
5. Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	2,674,256	4,332,286
6. Net investment income	1,449,920	2,667,749
7. Other income (expenses):		
7.1 Agents' balances charged off		
7.2 Net funds held under reinsurance treaties	(273,176)	3,200,275
7.3 Net amount withheld or retained for account of others		
7.4 Aggregate write-ins for miscellaneous items	(97)	249
7.5 Total other income (Lines 7.1 to 7.4)	(273,273)	3,200,524
8. Dividends to policyholders on direct business, less \$		
dividends on reinsurance assumed or ceded (net)		
9. Federal and foreign income taxes (paid) recovered	(706,000)	(1,403,959)
10. Net cash from operations (Line 5 plus Line 6 plus Line 7.5 minus Line 8 plus Line 9)	3,144,903	8,796,600
Cash from Investments		
11. Proceeds from investments sold, matured or repaid:		
11.1 Bonds	3,083,910	34,462,963
11.2 Stocks		1,450,636
11.3 Mortgage loans		
11.4 Real estate		
11.5 Other invested assets		
11.6 Net gains or (losses) on cash and short-term investments		
11.7 Miscellaneous proceeds		
11.8 Total investment proceeds (Lines 11.1 to 11.7)	3,083,910	35,913,599
12. Cost of investments acquired (long-term only):		
12.1 Bonds	4,073,641	45,239,469
12.2 Stocks		600,000
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Miscellaneous applications		
12.7 Total investments acquired (Lines 12.1 to 12.6)	4,073,641	45,839,469
13. Net cash from investments (Line 11.8 minus Line 12.7)	(989,731)	(9,925,870)
Cash from Financing and Miscellaneous Sources		
14. Cash provided:		
14.1 Surplus notes, capital and surplus paid in		
14.2 Capital notes \$		
less amounts repaid \$		
14.3 Net transfers from affiliates	243,846	2,008,558
14.4 Borrowed funds received		
14.5 Other cash provided		6,944
14.6 Total (Lines 14.1 to 14.5)	243,846	2,015,502
15. Cash applied:		
15.1 Dividends to stockholders paid		1,800,000
15.2 Net transfers to affiliates		
15.3 Borrowed funds repaid		
15.4 Other applications	5,261	
15.5 Total (Lines 15.1 to 15.4)	5,261	1,800,000
16. Net cash from financing and miscellaneous sources (Line 14.6 minus Line 15.5)	238,585	215,502
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
17. Net change in cash and short-term investments (Line 10, plus Line 13, plus Line 16)	2,393,757	(913,768)
18. Cash and short-term investments:		
18.1 Beginning of year	2,397,321	3,311,089
18.2 End of period (Line 17 plus Line 18.1)	4,791,078	2,397,321
DETAILS OF WRITE-INS		
7.401 Miscellaneous income	(97)	249
7.402		
7.403		
7.498 Summary of remaining write-ins for Line 7.4 from overflow page		
7.499 Totals (Lines 7.401 through 7.403 plus 7.498) (Line 7.4 above)	(97)	249

NOTES TO FINANCIAL STATEMENTS

9. INCOME TAXES

A. Components of the net deferred tax asset are:

	June 30, 2002	December 31, 2001
Gross deferred tax assets	\$1,061,178	\$883,646
Gross deferred tax liabilities	(48,441)	(40,039)
Net deferred tax asset	<u>1,012,737</u>	<u>843,607</u>

B. Deferred tax liabilities not recognized:

\$0	\$0
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C. Current income taxes incurred consist of the following:

	2002	2001
Current year income tax expense	\$607,175	\$1,612,588
Prior year over accrual of tax reserves	(227,936)	(49,584)
Current income taxes incurred	<u>\$379,239</u>	<u>\$1,563,004</u>

The tax effect of temporary differences giving rise to deferred tax assets and liabilities are:

	June 30, 2002	December 31, 2001
Deferred tax assets:		
Unpaid losses and loss adjustment expense	\$297,009	\$281,570
Unearned premiums	764,169	602,076
Total deferred tax assets	1,061,178	883,646
Deferred tax liabilities:		
Unrealized capital gains on stocks	(48,441)	(40,039)
Net admitted deferred tax assets	<u>\$1,012,737</u>	<u>\$843,607</u>

The change in deferred income tax was comprised of the following:

	June 30, 2002	December 31, 2001	Change
Total gross deferred tax assets	\$1,061,178	\$883,646	\$177,532
Total gross deferred tax liabilities	48,441	40,039	8,402
Net deferred tax liabilities	<u>\$1,012,737</u>	<u>\$843,607</u>	<u>\$169,130</u>

D. Reconciliation of federal income tax rate to effective rate:

	2002	Effective Tax Rate
Provision computed at statutory rate	\$378,257	35.0%
Difference attributable to reserve discount for statutory purposes and that taken for tax purposes (discount turning around after one year)	68,190	6.3%
	<u>\$446,447</u>	<u>41.3%</u>
Federal income taxes incurred on current year	\$607,175	56.2%
Change in net deferred income taxes	(169,130)	-15.6%
	438,045	40.5%
Deferred tax decrease attributable to unrealized gains	8,402	0.8%
Proforma statutory income taxes	<u>\$446,447</u>	<u>41.3%</u>

E. Operating loss carryforwards and tax credit carryforwards

(1) At June 30, 2002 the Company did not have any unused operating loss carryforwards.

(2) The following is income tax expense that is available for recoupment in the event of future losses:

Year	Amount
2002	\$607,175
2001	\$1,384,652

F. Consolidated federal income tax return

(1) The Company joins in the filing of a consolidated federal income tax return with Argonaut Group, Inc.

NOTES TO FINANCIAL STATEMENTS

(2) A written agreement provides that federal income taxes will be allocated to the Company on approximately the same basis as though the Company were filing a separate return.

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

C. Wash Sales - None

20. OTHER ITEMS

A. Other Disclosures

Effective April 1, 2002, Front Royal Insurance Company changed its name to Colony Specialty Insurance Company.

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements? Yes () No (X)

1.2 If yes, explain:

.....

2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes () No (X)

2.2 If yes, has the report been filed with the domiciliary state? Yes () No ()

3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes (X) No ()

3.2 If yes, date of change: 04/01/2002
 If not previously filed, furnish herewith a certified copy of the instrument as amended.

4. Have there been any substantial changes in the organizational chart since the prior quarter end? Yes () No (X)
 If yes, attach an organizational chart.

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes () No (X)

5.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....
.....
.....

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes () No (X) N/A ()
 If yes, attach an explanation.

7.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2000

7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2000

7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 04/03/2002

7.4 By what department or departments?

Ohio

8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.) Yes () No (X)

8.2 If yes, give full information

.....

GENERAL INTERROGATORIES (continued)

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted.)

INVESTMENT

9.1 Has there been any change in the reporting entity's own preferred or common stock? Yes () No (X)

9.2 If yes, explain

.....

10.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes () No (X)

10.2 If yes, give full and complete information relating thereto:

.....

11. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$

12. Amount of real estate and mortgages held in short-term investments: \$

13.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes () No (X)

13.2 If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
13.21 Bonds	\$	\$
13.22 Preferred Stock	\$	\$
13.23 Common Stock	\$	\$
13.24 Short-Term Investments	\$	\$
13.25 Mortgages, Loans or Real Estate	\$	\$
13.26 All Other	\$	\$
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26)	\$	\$
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above	\$	\$
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above	\$	\$

14.1 Does the reporting entity have any hedging transactions reported on schedule DB? Yes () No (X)

14.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes () No ()

If no, attach a description with this statement.

15. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1-General, Section IV.H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes (X) No ()

15.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
WACHOVIA BANK	740 15TH STREET NW, WASHINGTON DC 20005
.....
.....

15.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....
.....
.....

15.3 Have there been any changes, including name changes, in the custodian(s) identified in 15.1 during the current year? Yes (X) No ()

15.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
FIRST UNION NATIONAL BANK	WACHOVIA BANK	05/31/2002	NAME CHANGE
.....
.....

15.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
.....	GENERAL RE - NEW ENGLAND ASSET MANAGEMEN	76 BATTERSON PARK ROAD, FARMINGTON, CT 06032
.....
.....

GENERAL INTERROGATORIES - Line 15.1 (continued)

1 Name of Custodian(s)	2 Custodian Address
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Agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook
 First Union National Bank 740 15th Street NW, Washington, DC 20005
 15.1 Agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook

GENERAL INTERROGATORIES - Line 15.2 (continued)

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
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GENERAL INTERROGATORIES - Line 15.4 (continued)

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
--------------------	--------------------	---------------------	-------------

GENERAL INTERROGATORIES - Line 15.5 (continued)

1 Central Registration Depository	2 Name(s)	3 Address
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Investment advisors, brokers/dealers or others acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments
 General Re - New England Asset Management ... 76 Batterson Park Road, Farmington, CT 06032
 15.5 Investment advisors, brokers/dealers or others acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments

GENERAL INTERROGATORIES
(continued)

PART 2
PROPERTY AND CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes () No (X) N/A ()
If yes, attach an explanation.
2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes () No (X)
If yes, attach an explanation.
- 3.1 Have any of the reporting entity's primary reinsurance contracts been cancelled? Yes () No (X)
- 3.2 If yes, give full and complete information thereto
.....
.....
.....
- 4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation liabilities tabular reserves (see annual statement instructions pertaining to disclosure of discounting for definition of "tabular reserves") discounted at a rate of interest greater than zero? Yes () No (X)
- 4.2 If yes, complete the Discount Schedule.

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Schedule A, Verification
NONE

Schedule B, Verification
NONE

Schedule BA, Verification
NONE

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1	2	3	4	5	6	7	8
	Statement Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Statement Value End of First Quarter	Statement Value End of Second Quarter	Statement Value End of Third Quarter	Statement Value December 31 Prior Year
BONDS								
1. Class 1	50,833,760	15,998,838	14,958,980	(36,417)	50,833,760	51,837,201		49,311,193
2. Class 2	1,555,505			2,339	1,555,505	1,557,844		2,517,207
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. Total Bonds	52,389,265	15,998,838	14,958,980	(34,078)	52,389,265	53,395,045		51,828,400
PREFERRED STOCK								
8. Class 1	600,000				600,000	600,000		600,000
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock	600,000				600,000	600,000		600,000
15. Total Bonds and Preferred Stock	52,989,265	15,998,838	14,958,980	(34,078)	52,989,265	53,995,045		52,428,400

SCHEDULE DA - PART 1

Short-Term Investments Owned End of Current Quarter

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Amount of Interest Received Current Quarter	Paid for Accrued Interest
8099999 Totals	4,790,648	X X X	4,790,648	15,395	

SCHEDULE DA - PART 2 - VERIFICATION

Short-Term Investments Owned

	1	2	3	4
	First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1. Book / adjusted carrying value, beginning of period	4,179,192	4,887,219		3,286,601
2. Cost of short-term investments acquired	12,349,161	14,315,763		79,428,891
3. Increase (decrease) by adjustment				
4. Increase (decrease) by foreign exchange adjustment				
5. Total profit (loss) on disposal of short-term investments				
6. Consideration received on disposal of short-term investments	11,641,134	14,412,334		78,536,299
7. Book / adjusted carrying value, current period	4,887,219	4,790,648		4,179,193
8. Total valuation allowance				
9. Subtotal (Line 7 plus Line 8)	4,887,219	4,790,648		4,179,193
10. Total nonadmitted amounts				
11. Statement value (Line 9 minus Line 10)	4,887,219	4,790,648		4,179,193
12. Income collected during period	17,837	15,395		236,291
13. Income earned during period	12,065	16,870		229,203

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Sch. DB, Pt. F, Sn. 1, Summary Replicated (Syn.) Assets Open

NONE

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Sch. DB, Pt. F, Sn. 2, Reconciliation Replicated (Syn.) Assets

NONE

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Schedule F - Ceded Reinsurance

NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, etc.	1 Is Insurer Licensed? (Yes or No)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL	Yes					
2. Alaska	AK	No					
3. Arizona	AZ	No					
4. Arkansas	AR	Yes					
5. California	CA	No					
6. Colorado	CO	Yes					
7. Connecticut	CT	No					
8. Delaware	DE	No					
9. District of Columbia	DC	Yes	4,735	4,776			
10. Florida	FL	Yes	516,432	855,672	332,982	142,928	552,752
11. Georgia	GA	Yes		750			218,924
12. Hawaii	HI	No					
13. Idaho	ID	Yes					
14. Illinois	IL	No					
15. Indiana	IN	Yes					
16. Iowa	IA	No					
17. Kansas	KS	No					
18. Kentucky	KY	No					
19. Louisiana	LA	No					
20. Maine	ME	No					
21. Maryland	MD	Yes	522,829	1,233,303	990,036	673,700	1,926,739
22. Massachusetts	MA	No					1,406,468
23. Michigan	MI	No					
24. Minnesota	MN	No					
25. Mississippi	MS	Yes					
26. Missouri	MO	No					
27. Montana	MT	Yes					
28. Nebraska	NE	No					
29. Nevada	NV	Yes	31,552	52,053		35,845	2,500
30. New Hampshire	NH	No					
31. New Jersey	NJ	No					
32. New Mexico	NM	No					
33. New York	NY	No					
34. North Carolina	NC	Yes	19,949	142,739	75,905	9,856	11,147
35. North Dakota	ND	No					12,076
36. Ohio	OH	Yes				(488)	1,062,373
37. Oklahoma	OK	No					767,721
38. Oregon	OR	Yes	552,953	430,375	284,267		1,121,752
39. Pennsylvania	PA	Yes	488,047	1,976,947	1,907,026	2,051,760	4,285,091
40. Rhode Island	RI	No					4,030,595
41. South Carolina	SC	Yes	521,320	1,770,714	749,290	925,809	3,234,870
42. South Dakota	SD	Yes					2,834,954
43. Tennessee	TN	Yes					
44. Texas	TX	No					
45. Utah	UT	Yes					
46. Vermont	VT	No					
47. Virginia	VA	No	2,179,454	1,745,447	222,809	309,526	1,649,151
48. Washington	WA	No	8,384				2,011,676
49. West Virginia	WV	No					
50. Wisconsin	WI	No					
51. Wyoming	WY	No					
52. American Samoa	AS	No					
53. Guam	GU	No					
54. Puerto Rico	PR	No					
55. U.S. Virgin Islands	VI	No					
56. Canada	CN	No					
57. Aggregate Other Alien	OT	X X X					
58. Totals	(a) 20		4,845,655	8,212,776	4,562,315	4,113,091	13,879,720
58. Totals							11,288,414
DETAILS OF WRITE-INS							
5701.		X X X					
5702.		X X X					
5703.		X X X					
5798. Summary of remaining write-ins for Line 57 from overflow page		X X X					
5799. TOTALS (Lines 5701 through 5703 plus Line 5798)(Line 57 above)		X X X					

(a) Insert the number of yes responses except for Canada and Other Alien.

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	188,048	30,215	16.1	52.8
2. Allied lines	26,772	6,683	25.0	93.6
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril	512,037	169,236	33.1	80.1
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine	45,353	18,593	41.0	53.0
10. Financial guaranty				
11.1 Medical malpractice-occurrence				
11.2 Medical malpractice-claims made	83,556	41,193	49.3	
12. Earthquake				
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation	1,866,024	2,792,221	149.6	57.8
17.1 Other liability-occurrence	416,892	377,958	90.7	88.0
17.2 Other liability-claims made	872,763	470,580	53.9	46.4
18.1 Products liability-occurrence	100,741	64,050	63.6	274.2
18.2 Products liability-claims made	7,563	2,989	39.5	40.6
19.1, 19.2 Private passenger auto liability				
19.3, 19.4 Commercial auto liability	1,320,119	866,123	65.6	57.0
21. Auto physical damage	521,779	343,645	65.9	115.6
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft	32	9,177	28,678.1	58.3
27. Boiler and machinery				
28. Credit				
29. International				
30. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X	X X X
31. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X	X X X
33. Aggregate write-ins for other lines of business				
34. TOTALS	5,961,679	5,192,663	88.3	66.5
DETAILS OF WRITE-INS				
3301.				
3302.				
3303.				
3398. Summary of remaining write-ins for Line 33 from overflow page				
3399. Totals (Lines 3301 through 3303 plus Line 3398) (Line 33)				

PART 2 - DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	(1,530)	85,969	230,291
2. Allied lines	52,719	54,038	8,801
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril	87,894	260,123	337,866
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine	53,023	80,369	65,697
10. Financial guaranty			
11.1 Medical malpractice-occurrence			
11.2 Medical malpractice-claims made	279,798	279,798	
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation	709,519	1,581,798	3,325,910
17.1 Other liability-occurrence	189,759	375,939	561,135
17.2 Other liability-claims made	1,025,834	1,691,616	1,033,998
18.1 Products liability-occurrence	64,126	185,564	109,500
18.2 Products liability-claims made	4,800	12,100	6,294
19.1, 19.2 Private passenger auto liability			
19.3, 19.4 Commercial auto liability	(35,433)	143,854	1,783,388
21. Auto physical damage	(12,565)	94,487	748,887
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			1,009
27. Boiler and machinery			
28. Credit			
29. International			
30. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X
31. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X
33. Aggregate write-ins for other lines of business			
34. TOTALS	2,417,944	4,845,655	8,212,776
DETAILS OF WRITE-INS			
3301.			
3302.			
3303.			
3398. Summary of remaining write-ins for Line 33 from overflow page			
3399. Totals (Lines 3301 through 3303 plus Line 3398) (Line 33)			

PART 3 (000 Omitted)
LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves(a) (Cols. 1 plus 2)	2002 Loss and LAE Payments on Claims Reported as of Prior Year-End	2002 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2002 Loss and LAE Payments (Cols. 4 plus 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves(b) (Cols. 7 plus 8 plus 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 plus 7 minus Col. 1)	Prior-Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 plus 8 plus 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency(c) (Cols. 11 plus 12)
1. 1999 + Prior	3,949	3,357	7,306	2,082	213	2,295	3,145	295	2,668	6,108	1,278	(181)	1,097
2. 2000	1,513	2,566	4,079	625	57	682	1,100	168	1,758	3,026	212	(583)	(371)
3. Subtotals 2000 + prior	5,462	5,923	11,385	2,707	270	2,977	4,245	463	4,426	9,134	1,490	(764)	726
4. 2001	1,824	5,310	7,134	911	171	1,082	1,553	593	3,553	5,699	640	(993)	(353)
5. Subtotals 2001 + prior	7,286	11,233	18,519	3,618	441	4,059	5,798	1,056	7,979	14,833	2,130	(1,757)	373
6. 2002	X X X	X X X	X X X	X X X	661	661	X X X	877	3,737	4,614	X X X	X X X	X X X
7. Totals	7,286	11,233	18,519	3,618	1,102	4,720	5,798	1,933	11,716	19,447	2,130	(1,757)	373
8. Prior Year-End's Surplus As Regards Policyholders	18,269										Co1. 11, Line 7 As % of Col. 1 Line 7	Co1. 12, Line 7 As % of Col. 2 Line 7	Co1. 13, Line 7 As % of Col. 3 Line 7
											1. 29.2 %	2. (15.6)%	3. 2.0 %
													Co1. 13 , Line 7 Line 8
													4. 2.0 %

(a) Should Equal Prior Year-End Annual Statement; Page 3, Column 1, Lines 1 plus 3
 (b) Should Equal Quarterly Statement Page 3, Column 1, Lines 1 and 3
 (c) Should Also Equal Columns 6 plus 10 less Column 3 for Lines A through E only

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, Your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

RESPONSES

1. Will the SVO Compliance Certification be filed with this statement?

Yes

EXPLANATION:

.....

BARCODE:

Document Identifier 470:

2. Will the Trusted Surplus Statement be filed with the state of domicile and the NAIC with this statement?

No

EXPLANATION:

.....

BARCODE:

2. Document Identifier 490:



3. Will Supplement A to Schedule T (Medical Malpractice Supplement) be filed with this statement?

Yes

EXPLANATION:

.....

BARCODE:

3. Document Identifier 450:

Page E01

Sch. A, Pt. 2, Real Estate Acquired

NONE

Sch. A, Pt. 3, Real Estate Sold

NONE

Page E02

Schedule B, Part 1, Mortgage Loans Acquired

NONE

Schedule B, Part 2, Mortgage Loans Sold

NONE

Page E03

Sch. BA, Pt. 1, Other Long-Term Invested Assets Acquired

NONE

Sch. BA, Pt. 2, Other Long-Term Invested Assets Sold

NONE

SCHEDULE D - PART 3

Show All Long-term Bonds and Stock Acquired by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation (a)
Bonds - Industrial and Miscellaneous								
	INDUSTRIAL & MISCELLANEOUS - U.S.							
294754-AW-6	EQUITY ONE ABS INC 2002-2 AF2	04/18/2002	FIRST UNION CAPITAL MKTS		599,999	600,000	2,429	IPE
809276-AG-1	SCOTIA PACIFIC CO LLC	05/13/2002	SALOMON SMITH BARNEY		309,461	332,531	7,018	IPE
86358R-DX-2	STRUCTURED ASSET SEC CORP 2001-SB1	05/16/2002	LEHMAN BROTHERS		773,614	899,552	1,687	IPE
	COUNTRY TOTAL - U.S.				1,683,074	1,832,083	11,134	
4599999	Subtotal - Bonds - Industrial and Miscellaneous				1,683,074	1,832,083	11,134	
6099997	Subtotal - Bonds - Part 3				1,683,074	1,832,083	11,134	
6099999	Subtotal - Bonds				1,683,074	1,832,083	11,134	
7299999	TOTALS				1,683,074	1,832,083	11,134	

(a) For all common stock bearing the NAIC designation "U" provide: the number of such issues

SCHEDULE D - PART 4

Show All Long-term Bonds and Stock Sold, Redeemed or Otherwise Disposed of by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identif-ication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Designation (a)
Bonds - U.S. Governments																
US GOVERNMENT OBLIGATIONS - U.S.																
36203P-CT-8	GNMA Pass Thru #354782	06/15/2002	PRINCIPAL RECEIPT		4,381	4,381.00	4,388	4,381	(6)					222		1PE
36205J-7F-6	GNMA Pass Thru # 392494	06/15/2002	PRINCIPAL RECEIPT		697	697.00	698	697	(1)					30		1PE
36206A-HZ-9	GNMA POOL #405348	06/15/2002	PRINCIPAL RECEIPT		13,567	13,567.00	13,839	13,567	(242)					502		1PE
36206D-5Z-6	GNMA Pass Thru #408664	06/15/2002	PRINCIPAL RECEIPT		2,812	2,812.00	2,816	2,812	(4)					215		1PE
36206F-QR-6	GNMA POOL #410064	06/15/2002	PRINCIPAL RECEIPT		9,492	9,492.00	9,682	9,492	(185)					525		1PE
36206F-RC-8	GNMA Pool # 410083	06/15/2002	PRINCIPAL RECEIPT		7,506	7,506.00	7,293	7,506	193					368		1PE
36206J-X5-8	GNMA POOL #413000	06/15/2002	PRINCIPAL RECEIPT		930	930.00	930	930	23					38		1PE
36206R-ET-9	GNMA POOL #418746	06/15/2002	PRINCIPAL RECEIPT		11,201	11,201.00	11,425	11,201	(213)					456		1PE
36207L-4B-1	GNMA Pool #435618	06/15/2002	PRINCIPAL RECEIPT		15,329	15,329.00	15,336	15,329	(1)					603		1PE
36207M-YA-8	GNMA Pool #436405	06/15/2002	PRINCIPAL RECEIPT		12,161	12,161.00	12,167	12,161	(2)					577		1PE
36219D-TG-7	GNMA Pass Thru #246351	06/15/2002	PRINCIPAL RECEIPT		32,524	32,524.00	32,564	32,524	(33)					1,200		1PE
36220W-Q2-6	GNMA Pool 290373	06/15/2002	PRINCIPAL RECEIPT		2,282	2,282.00	2,473	2,282	8					131		1PE
36223N-UD-4	GNMA Pool 312980	06/15/2002	PRINCIPAL RECEIPT		9,270	9,270.00	9,660	9,270	(103)					562		1PE
	COUNTRY TOTAL - U.S.				122,152	122,152.00	123,244	122,152	(566)					5,429		
0399999	Subtotal - Bonds - U.S. Governments				122,152	122,152.00	123,244	122,152	(566)					5,429		
Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																
SPECIAL REVENUE AND ASSESSMENTS - U.S.																
U.S. GOVERNMENT																
31280F-4N-9	FHLMC #E61729	06/15/2002	PRINCIPAL RECEIPT		1,698	1,698.00	1,712	1,698	(8)					69		1PE
31280G-L2-4	FHLMC #E62145	06/15/2002	PRINCIPAL RECEIPT		42,192	42,192.00	42,548	42,192	(193)					1,195		1PE
31280G-N4-8	FHLMC #E62211	06/15/2002	PRINCIPAL RECEIPT		1,779	1,779.00	1,795	1,779	(8)					72		1PE
31280G-NH-9	FHLMC #E62192	06/15/2002	PRINCIPAL RECEIPT		10,260	10,260.00	10,347	10,260	(48)					562		1PE
31280G-TD-2	FHLMC #E62348	06/15/2002	PRINCIPAL RECEIPT		406	406.00	410	406	(3)					24		1PE
31283J-FS-5	FHLMC Group #G10177	06/15/2002	PRINCIPAL RECEIPT		5,322	5,322.00	5,513	5,322	(5)					232		1PE
31283J-SM-4	FHLMC #G10524	06/15/2002	PRINCIPAL RECEIPT		9,461	9,461.00	9,399	9,461	52					415		1PE
3128F4-SL-6	FHLMC #D65023	06/15/2002	PRINCIPAL RECEIPT		16,894	16,894.00	17,444	16,894	(493)					963		1PE
3128GP-XU-2	FHLMC E86991	06/15/2002	PRINCIPAL RECEIPT		22,952	22,952.00	22,569	22,952	383					739		1PE
31292G-KB-1	FHLMC Grp #C000290	06/15/2002	PRINCIPAL RECEIPT		7,096	7,096.00	7,110	7,096	7					309		1PE
31292G-WG-7	FHLMC C00647	06/15/2002	PRINCIPAL RECEIPT		13,997	13,997.00	14,130	13,997	(126)					578		1PE
31292Y-G6-8	FHLMC C13821	06/15/2002	PRINCIPAL RECEIPT		18,330	18,330.00	18,719	18,330	(370)					856		1PE
31293A-6F-0	FHLMC C15370	06/15/2002	PRINCIPAL RECEIPT		21,885	21,885.00	22,497	21,885	(584)					687		1PE
313401-EY-3	FHLMC GRP 160046d	06/15/2002	PRINCIPAL RECEIPT		1,831	1,831.00	1,835	1,831	19					89		1
31358M-RN-6	FNMA Remic	06/15/2002	PRINCIPAL RECEIPT		14,111	14,111.00	13,077	14,111	384					611		1PE
31362W-2B-1	FNMA 73670	06/25/2002	PRINCIPAL RECEIPT		1,239	1,239.00	1,285	1,239	(13)					50		1PE
31362W-3U-8	FNMA DUS 73711	06/25/2002	PRINCIPAL RECEIPT		1,399	1,399.00	1,426	1,399	(21)					60		1PE
31362W-R4-0	FNMA DUS 73407	06/25/2002	PRINCIPAL RECEIPT		1,081	1,081.00	1,074	1,081	7					42		1PE
31362W-W6-9	FNMA DUS 73569	06/25/2002	PRINCIPAL RECEIPT		2,201	2,201.00	2,271	2,201	(66)					96		1PE
31362W-XD-3	FNMA Multi-Fam 73576	06/25/2002	PRINCIPAL RECEIPT		1,230	1,230.00	1,286	1,230	(15)					52		1PE
31368H-WH-2	FNMA Pass Thru #190648	06/25/2002	PRINCIPAL RECEIPT		1,573	1,573.00	1,672	1,573	9					89		1PE
31371K-LP-4	FNMA POOL 254234	06/25/2002	PRINCIPAL RECEIPT		14,668	14,668.00	14,517	14,668	151					233		1PE
31377F-FX-9	FNMA POOL #375582	06/25/2002	PRINCIPAL RECEIPT		4,419	4,419.00	4,288	4,419	125					172		1PE
31377L-J5-3	FNMA POOL #380184	06/25/2002	PRINCIPAL RECEIPT		2,467	2,467.00	2,344	2,467	118					92		1PE
313850-6M-9	FNMA 549976	06/25/2002	PRINCIPAL RECEIPT		88,630	88,630.00	88,284	88,630	349					4,189		1PE
313976-LB-6	FHLMC Group # D37522	06/15/2002	PRINCIPAL RECEIPT		35,018	35,018.00	35,303	35,018	(256)					1,463		1PE
	STATE TOTAL				342,139	342,139.00	342,855	342,139	(605)					13,939		

(continues)

(a) For all common stock bearing the NAIC designation 'U' provide: the number of such issues

SCHEDULE D - PART 4

Show All Long-term Bonds and Stock Sold, Redeemed or Otherwise Disposed of
by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
CUSIP Identif- ication	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Book/Adjusted Carrying Value at Disposal Date	Increase (Decrease) by Adjustment	Increase (Decrease) by Foreign Exchange Adjustment	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Interest on Bonds Received During Year	Dividends on Stocks Received During Year	NAIC Designa- tion (a)
Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions (continued)																
COUNTRY TOTAL - U.S.																
3199999	Subtotal - Bonds - Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions				342,139	342,139.00	342,855	342,139	(605)					13,939		
Bonds - Industrial and Miscellaneous																
INDUSTRIAL & MISCELLANEOUS - U.S.																
25475M-AQ-7	DISTRIBUTION FINL SVCS RV TR	05/15/2002	PRINCIPAL RECEIPT		60,086	60,086.00	60,081	60,086	1					2,263		IPE
466157-AC-8	J G WENTWORTH REC V LLC 2001-AA A2	06/15/2002	PRINCIPAL RECEIPT		10,012	10,012.00	10,012	10,012	1					412		1
66937R-TQ-2	NORWEST ASSET SEC CORP SER 1999-12	06/04/2002	PRINCIPAL RECEIPT		2,370	2,370.00	2,382	2,370	(18)					122		IPE
86358R-DX-2	STRUCTURED ASSET SEC CORP 2001-SBI	06/25/2002	PRINCIPAL RECEIPT		9,886	9,886.00	8,502	9,886	1,384					28		IPE
COUNTRY TOTAL - U.S.																
4599999	Subtotal - Bonds - Industrial and Miscellaneous				82,354	82,354.00	80,977	82,354	1,368					2,825		
6099997	Subtotal - Bonds - Part 4				546,645	546,645.00	547,075	546,645	197					22,193		
6099999	Subtotal - Bonds				546,645	546,645.00	547,075	546,645	197					22,193		
7299999	TOTALS				546,645		547,075	546,645	197					22,193		

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Schedule DB, Part A, Section 1

NONE

Schedule DB, Part B, Section 1

NONE

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Schedule DB, Part C, Section 1

NONE

Schedule DB, Part D, Section 1

NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository		2 Rate of Interest	3 Amount of Interest Received During Current Quarter	4 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			8 *
					5 First Month	6 Second Month	7 Third Month	
Name	Location and Supplemental Information							
Open Depositories								
First Union National Bank	Richmond, Virginia				924	143	431	..
0199999	TOTAL - Open Depositories				924	143	431	..
0399999	TOTAL Cash on Deposit				924	143	431	..
0599999	TOTALS				924	143	431	..



SUPPLEMENT FOR THE QUARTER ENDING JUNE 30, 2002 OF THE COLONY SPECIALTY INSURANCE COMPANY

**SUPPLEMENT "A" TO SCHEDULE T
EXHIBIT OF MEDICAL MALPRACTICE PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES**

The type of health care providers reported on this page is: Other health care professionals, including dentists

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC								
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								
15. Indiana IN								
16. Iowa IA								
17. Kansas KS								
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								
27. Montana MT								
28. Nebraska NE								
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ								
32. New Mexico NM								
33. New York NY								
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH								
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT								
46. Vermont VT								
47. Virginia VA	279,798	83,556			41,193			41,193
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI								
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Canada CN								
57. Aggregate Other Alien OT								
58. Totals	279,798	83,556			41,193			41,193
DETAILS OF WRITE-INS								
5701.								
5702.								
5703.								
5798. Summary of remaining write-ins for Line 57 from overflow page								
5799. Totals (Lines 5701 through 5703 plus Line 5798) (Line 57 above)								